GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2497
ANSWERED ON:10.03.2000
EXPORT OF ORNAMENTS
CHINMAYANAND;YOGI ADITYANATH

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether gold and silver ornaments are exported at large scale;

(b) if so, the names of such countries to which ornaments have been exported during each of the last three years;

(c) the foreign exchange earned on this account;

(d) whether the Government are contemplating to increase the export of gold and silver ornaments; and

(e) if so, the details thereof?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(a) As per the export figures provided by the Gem and Jewellery Export Promotion Council(GJEPC), total exports of gems and jewellery during 1998-99 was of the order of US$ 6212 Million and share of gold and silver ornaments in this total exports of gems & jewellery was US$ 846.15 Million and US$ 58 Million respectively.

(b) The major markets for the export of the Indian gold and silver ornaments during each of the last three years have been: The United States of America, Kuwait, The United Arab Emirates, Hongkong, Singapore, The United Kingdom.

(c) Value of the foreign exchange earned during each of the last three years through export of gold and silver ornaments is as under:

(Value in US$ Million)

YEARS	GOLD ORNAMENTS	SILVER ORNAMENTS
1996-97	511.80	15.14
1997-98	802.97	24.75
1998-99	846.15	58.00

Soruce : Directorate General of Commercial Intelligence and Statastics(DGCI&S), Calcutta for 1996-97 and 1997-98 and Gems and Jewellery Export Promotion Council(GJEPC), Mumbai for 1998-99 , Mumbai

(d) Yes, Sir

(e) It has been the continuous endeavour of the Government to increase the exports of gold and silver ornaments by way of introducing new policy initiatives by modifying the existing Exim Policy to enable the exporters to meet the global requirements. Some of the important policy initiatives introduced w.e.f.1st April, 1999 to increase exports of gold and silver ornaments are:
(i) Permission to Export Oriented Units (EOUs)/Export Processing Zone (EPZ) units to import plain gold/platinum/silver jewellery fo repairs/re-make and subsequent export subject to earning a minimum Net Foreign Exchange Percentage (NFEP) of 7.5%;
(ii) Permission for Personal Carriage of gems & jewellery parcels by foreign buyers from all EOUs and EPZ units and also from the Domestic Tariff Area (DTA) units located in Delhi, Mumbai, Calcutta and Chennai;
(iii) Permission for export of gems & jewellery items by courier from selected ports upto a value of Rs. 20 lacs per consignment;
(iv) Permission for duty free import of consumables required by jewellery and diamond processing industries to the extent of 1% of the

FOB value of gems & jewellery exports in the preceding year;
(v)Rationalisation of Value Addition norms for `Bangles` made by fully mechanised process and ornaments like `Mangalsutra`;
(vi) Permission for export of samples made in wax models, silver models and rubber moulds under intimation to Development Commissioner provided their value does not exceed Rs. 1,00,000/- in a year;
(vii) Permission to EOUs/EPZ units to send scrap/dust/sweepings of gold to Private Mints also, apart from Government of India Mint for refining and subsequent conversion into standard gold bars. Besides, such scrap/dust/sweepings of gold can be sold in the Domestic Tariff Area (DTA) also on payment of applicable Customs duty on the basis of gold content, as may be notified by the Customs.